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September 5, 2008

VIA ELECTRONIC MAIL ORIGINAL BY HAND DELIVERY

Mary Cottrell, Secretary Department of Public Utilities One South Station, 2nd Floor Boston, MA 02110

RE: Proposal of the Cape Light Compact to Request Increased Funding for

Residential Energy Efficiency Programs for 2008

DPU 07-47

Dear Secretary Cottrell:

Please find enclosed for filing an original of this Supplement to the Reply Comments of the Cape Light Compact (the "Compact") regarding its proposal for Increased Funding for Residential Energy Efficiency Programs for 2008 and Amendment to the Approved Energy Efficiency Plan: 2007 – 2012, in the above-referenced proceeding.

I. INTRODUCTION

On August 15, 2008 the Compact filed with the Department of Public Utilities (the "Department" or the "DPU") a proposal to increase funding for residential energy efficiency programs for 2008 (the "Proposal"). On August 25, 2008 the Attorney General filed Comments on the Compact's and other program administrators' proposals. On August 26, 2008, the Compact filed a letter with the Department requesting leave to file and submitting Reply Comments. Subsequent to the Compact's letter, the Department issued a Hearing Officer Memorandum expressly authorizing Reply Comments. This Supplement, together with the Compact's letter filed on August 26th, constitutes the Compact's Reply Comments on this matter.

¹ Hearing Officer Memorandum regarding Reply Comments on Proposals to Increase Funding for Residential Energy Efficiency Programs (August 27, 2008).

II. SUPPLEMENTAL INFORMATION REQUESTED IN ATTORNEY GENERAL'S COMMENTS

In its August 26th letter, the Compact noted that the Attorney General sought additional information on "the dollar savings customers are expected to realize or how many customers buy program will be helped." Comments of the Attorney General on Bay State Gas Company, et al. at 10 (August 25, 2008). In order to further explicate the information provided by the Compact in its Proposal, the Compact contacted its consultant and vendors to provide information on the approximate number of additional residential customers to be served by program and monthly dollar savings in addition to monthly percentage savings.

Appendix G shows a detailed breakdown of estimated additional customers served and additional funds by program and by type of cost and/or incentive. Appendix H illustrates the average estimated dollar savings on monthly customer energy bills. The average estimated savings are shown using both the 2007 Avoided Energy Supply Cost Study² and the estimated current energy prices for Compact customers. As shown in Appendix H, based on current estimates of energy prices, the average estimated dollar savings are \$11 per month and \$69 per month for residential RCS/MassSAVE and Low Income program customers, respectively. However, as noted in the Compact's Proposal³, the approximate monthly dollar savings represent an average of monthly dollar savings for all participants and actual individual savings will vary depending on opportunity and investment factors, including, but not limited to, the age of the existing home, the efficiency characteristics of the home and the systems and efficiency upgrades ultimately installed.

III. CONCLUSION

The Compact hopes that its Reply Comments assist the Department in reviewing and approving its 2008 Proposal.

Wherefore, the Compact respectfully requests, based on its Proposal and its Reply Comments, that the DPU approve its Proposal for increased funding for residential energy efficiency programs for winter 2008.

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² Avoided Energy Supply Costs in New England: 2007 Final Report (Synapse Energy Economics, Inc., revised January 3, 2008).

³ Proposal at 8.

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If you require further information or have any questions, please do not hesitate to contact me.

Respectfully submitted, THE CAPE LIGHT COMPACT

By its attorneys,

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SH/drb

Enclosures

cc: Benjamin Spruill, Hearing Officer (w/enc.) (via email and hand delivery)

Jamie Tosches, Assistant Attorney General (w/enc.) (via email and hand delivery)

Service List (w/enc.) (via email only)

Margaret T. Downey, Cape Light Compact (w/enc.) (via email and first class mail)

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